

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6724

BILL NUMBER: HB 1330

NOTE PREPARED: Dec 28, 2005

BILL AMENDED:

SUBJECT: Military Service Credit for Teachers' Retirement Fund Members.

FIRST AUTHOR: Rep. Hoffman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: Local

Summary of Legislation: This bill provides that a member of the Teachers' Retirement Fund (TRF) is entitled to up to four years of service credit for active duty service in the United States armed forces if the member received an honorable discharge and has at least ten years of creditable service in the Fund.

Effective Date: July 1, 2006.

Explanation of State Expenditures: There are no specific data concerning the number of teachers who would be affected by this change. The actual increase in annual payout cost will depend upon the number of teachers affected and their military service, age, and accrued TRF service characteristics. The fund affected is the state General Fund.

Explanation of State Revenues:

Explanation of Local Expenditures: There are no specific data concerning the number of teachers who would be affected by this change. The 1996 TRF Plan (New Plan) is actuarially funded with a level percent of payroll, currently 7%. It is unlikely that this bill will require an increase in the current level percent of payroll.

Explanation of Local Revenues:

State Agencies Affected: Teachers' Retirement Fund.

Local Agencies Affected: School corporations.

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.